

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
POWER COMPANY FOR (1) A GENERAL)	
ADJUSTMENT OF ITS RATES FOR ELECTRIC)	CASE NO.
SERVICE; (2) AN ORDER APPROVING ITS 2017)	2017-00179
ENVIRONMENTAL COMPLIANCE PLAN; (3) AN)	
ORDER APPROVING ITS TARIFFS AND RIDERS;)	
(4) AN ORDER APPROVING ACCOUNTING)	
PRACTICES TO ESTABLISH REGULATORY)	
ASSETS AND LIABILITIES; AND (5) AN ORDER)	
GRANTING ALL OTHER REQUIRED APPROVALS)	
AND RELIEF)	

ORDER

On January 18, 2018, the Commission entered an Order, which, among other things, approved a rate adjustment for Kentucky Power Company (“Kentucky Power”) and established new rates to be effective for service rendered on and after January 19, 2018.

Based on a review of that Order and being otherwise sufficiently advised, the Commission finds that three inadvertent errors need to be corrected. First, on page 22 of the Order, the second paragraph of the section titled “Weather Normalized Commercial Sales” states that the Commission made a \$400,000 adjustment to increase commercial revenues; the adjustment already was included in the Settlement Agreement. Second, on page 23, in the section titled “Capital Structure and Cost of Debt,” and on page 31, in footnote 91, the correct percentage of long-term debt in the capital structure is 53.45 percent, not 54.45 percent.

Third, in Appendix C, the energy rates for Tariff IGS were incorrectly calculated and the Primary Service Voltage Monthly Off-Peak Billing Demand was inadvertently omitted. Tariff IGS rates are correctly set forth below.

The Commission, on its own motion, HEREBY ORDERS, *nunc pro tunc*, that the January 18, 2018 Order is amended as follows:

1. Tariff I.G.S. energy charges and Primary Service Voltage Monthly Off-Peak Billing Demand in Appendix C are amended as follows:

TARIFF I.G.S.
INDUSTRIAL GENERAL SERVICE

<u>Secondary Service Voltage:</u>	
Service Charge per month	\$ 276.00
Energy Charge per kWh	\$.02921
Demand Charge per kW	
Of Monthly On-Peak Billing Demand	\$ 24.13
Of Monthly Off-Peak Billing Demand	\$ 1.60
 <u>Primary Service Voltage:</u>	
Service Charge per month	\$ 276.00
Energy Charge per kWh	\$.02806
Demand Charge per kW	
Of Monthly On-Peak Billing Demand	\$ 20.57
Of Monthly Off-Peak Billing Demand	\$ 1.55
 <u>Sub-transmission Service Voltage:</u>	
Service Charge per month	\$ 794.00
Energy Charge per kWh	\$.02768
Demand Charge per kW	
Of Monthly On-Peak Billing Demand	\$ 13.69
Of Monthly Off-Peak Billing Demand	\$ 1.51
 <u>Transmission Service Voltage:</u>	
Service Charge per month	\$1,353.00
Energy Charge per kWh	\$.02730
Demand Charge per kW	
Of Monthly On-Peak Billing Demand	\$ 13.26
Of Monthly Off-Peak Billing Demand	\$ 1.49

All Service Voltages:

Reactive demand charge for each kilovar of maximum leading or lagging reactive demand in excess of 50 percent of the kW of monthly metered demand is \$.69 per KVAR.

Minimum Demand Charge

The minimum demand charge shall be equal to the minimum billing demand times the following minimum demand rates per kW:

Secondary	\$ 25.83
Primary	\$ 22.21
Subtransmission	\$ 15.30
Transmission	\$ 14.86

2. On page 22, the second paragraph of the section titled "Weather Normalized Commercial Sales" is stricken and replaced with the following:

Kentucky Power and the Settling Intervenors agreed to the \$400,000 adjustment as set forth in the Settlement, paragraph 2(b). The Commission finds this adjustment to be reasonable and accepts the adjustment to Weather Normalized Commercial Sales as provided in the Settlement.

3. On page 23, in the second sentence of the first paragraph in the section titled, "Capital Structure and Cost of Debt," and on page 31, in footnote 91, the stated percentage of long-term debt in the capital structure is amended to be 53.45 percent.

4. All provisions of the Order of January 18, 2018, that are not in conflict with this Order shall remain in full force and effect.

By the Commission

ENTERED
JAN 25 2018
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


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